

Evaluation of Average Spot Basket Options

Evaluation parameters		Market data			
Evaluation date	10/1/2003	Riskless cc IR	4.879016%		
Horizon date	10/1/2003	Riskless cc fwd. IR	4.879016%		
		No. of fixed spots per ul.	0		
		Sum of av. of fixed spots	0		
		Next fixing date	9/6/2006		
504			Underlying 1	Underlying 2	Underlying 3
		Spot	13	44	33.61344538
		Volatility	10.0%	10.0%	10.0%
		Dividend rate (cc rate)	4.879016%		
		Correlation coefficients	Underlying 1	Underlying 2	Underlying 3
			1	0.5	0.5
			0.5	1	0.5
			0.5	0.5	1
508					
510					
Results			Underlying 1	Underlying 2	Underlying 3
NPV		4.078182314	-0.39204672	-0.38001754	-0.384047918
Delta			0.026577031	0.026256316	0.026437108
Gamma					
Interim values					
Modified strike		89.70731092			
Modified fwd. spot		90.61344538			
Modified volatility		8.2919993%			
512					
Results from FinCad6.1 function aaAsian_basket_MC			95% confidence interval		
			Percentage Accuracy	low	high
No. of random trials		NPV	Accuracy (2*sigma)		Runtime/min
1000		3.895	0.346	3.549	0.02
100000		4.086	0.036	4.050	1
1000000		4.069	0.011	4.058	ca. 13
40000000		4.078	0.002	4.076	ca. 400
					Processor
					Celeron 700MHz
					Celeron 700MHz
					Celeron 700MHz
					Celeron 700MHz

FIG. 5